



# THE CO-OPERATIVE FEDERATION of VICTORIA

(A member of the Co-operative Federation of Australia)

## REPORT

For year ended June 30th, 1980

THE CO-OPERATIVE FEDERATION OF VICTORIA  
G.P.O. Box 5211AA, Melbourne, Victoria, 3001, Australia  
Telephone: (03) 663 1674

---

## THE CO-OPERATIVE FEDERATION OF VICTORIA

Report for the year ended 30th June, 1980

### 1. INTRODUCTION

The conclusion of the first full year of operation of our State Co-operative Federation with professional staff sees a greater awareness amongst Victorian Co-operatives of different types and industries of the common bond of co-operation to which all subscribe and from which benefits to individual Co-operatives accrue. It sees a greater acceptance of the role of Co-operatives and the Co-operative sector by a State Government which previously had no common focal point with which to communicate on matters Co-operative. It sees the continuing policy of the Co-operative Federation of Australia in assisting to develop a soundly based State Co-operative Federation as an effective way of developing a stronger national Co-operative Federation.

### 2. COUNCIL

The Federation's Constitution requires Councillors to be "nominated by an approved industry within the Co-operative movement" with the industries eligible to nominate a Councillor being approved at each Annual Conference to be effective for the ensuing financial year.

The 1979 Annual General Meeting resolved this rule be reviewed and a recommended alternative be submitted to the 1980 Annual General Meeting.

Council met nine times during the year and, in addition, spent one Sunday in a detailed workshop session developing a corporate plan for the coming year.

At the close of the year the Council and office bearers comprised:—

Office	Name	Co-operative Industry
President	Mr. M. Rundle	Office Management
Vice President	Mr. O. J. Slattery	Fertilizer Manufacture
Councillors	Mr. J. N. Black	Herd Improvement
	Mr. K. D. Currey	Insurance
	Mr. A. Dash	Consumer Credit
	Mr. N. Harvey	Housing
	Mr. E. J. Long	Co-operative Advisory Council of Victoria
	Mr. B. H. Macintosh	Consumer Trading
	Mr. I. A. Wood	Dairy Manufacturing
Honorary Treasurer	Mr. J. F. Rigby	
Executive Officer	Mr. W. W. Rawlinson	
Auditors	Gartner, Walker & Associates	

### 3. STAFF

During the year Mrs. Anne Loban was appointed to the staff to provide secretarial assistance to the Executive Officer.

### 4. MEMBERSHIP

A list of members of the Federation as at 30th June 1980 is appended to this report.

### 5. COMMUNICATION

During the year five Newsletters have been published and given wide circulation amongst Co-operatives in Victoria as have also the last Annual Report of the Federation and reports on the Annual Conference and on the function held to meet the President of the National Council of Farmer Co-operatives in the U.S.A.

Four Regional meetings organised by your Council during the year were well attended. These were at

Morwell  
Camperdown  
Bendigo  
Shepparton

---

---

A further meeting is scheduled for July 1980 in Mildura. Nominations received by the close of the financial year indicate good support from Co-operatives in that Region.

The 1979 Annual Conference was officially opened by the Minister administering the Co-operation Act, the Hon. B. J. Dixon. The President of the Co-operative Federation of Australia was a principal speaker.

In March 1980 your Council took advantage of the presence in Australia of Mr. Ken Naden, President of the U.S.A. National Council of Farmer Co-operatives to organise a luncheon meeting to learn of the operations of this highly successful Co-operative political and legislative lobby in Washington D.C. Fifteen Co-operatives, including three from South Australia, were represented by 14 Directors and 17 senior Executives.

## **6. RELATIONS WITH GOVERNMENT**

Deputations from your Federation have had two meetings with the Minister administering the Co-operation Act and one with the Minister for Labour and Industry in his capacity as Chairman of the Victorian Employment Committee.

Mr. Long of the Federation's Council has continued throughout the year to serve on the Government's Co-operative Advisory Council.

Continuous liaison has been maintained with the Registrar of Co-operatives and senior members of his staff.

## **7. LEGISLATION**

In our last report we indicated that although the Federation was committed to a general review of the Co-operation Act, two amendments were considered of prior urgency for the more effective operation of your Federation.

These concerned statutory provision for increased representation on the Co-operative Advisory Council and statutory provision for the existence of a Co-operative Federation able to take into membership Co-operatives incorporated under legislation other than the Co-operation Act in addition to those incorporated under the Act.

On matters of legislation your Federation has continually exchanged views and information with the Victorian Credit Co-operative Association. That Association sought amendments to the Act of specific significance to Credit Societies.

Towards the end of the financial year we were advised Government had agreed to a rewriting of the Co-operation Act as an alternative to amending legislation. The Co-operative Federation has, therefore, made submissions for the new Co-operation Act to include, in addition to the two matters referred to above:

- Reducing the age limit for membership of Co-operatives.
- Reducing the minimum members permitted to form a Farm Production Co-operative.
- Provide for transfer of engagements of amalgamating Co-operatives to enable tax loss situations to be utilised.
- Provide for the issue of bonus shares out of profits realised on sale or revaluation of assets not acquired for resale.
- Provide for indexation of the maximum rate of dividend that may be paid on share capital.
- Provide for increase in number of Directors permissible to assist the working of merged Co-operatives into one unit.

Despite the Minister's assurance of prior consultation, before amendments to Co-operative legislation reach the Bill stage, during the year the Government sought to amend the Stamp Act by, inter alia, excluding Co-operative Credit Societies from the exemption from payment of Stamp Duty on Bills of Exchange including cheques and promissory notes. Immediate action was taken by the Victorian Credit Co-operative Association, by your Federation and other affected Associations which resulted in the offending clause being deleted from the Bill.

## **8. FINANCIAL ADMINISTRATORS**

In the first half of the year regular monthly meetings were held.

Discussions on the following topics were led by —

Mr. J. Rooke, Department of Taxation — Taxation of Co-operatives

Mr. P. L. Colbourne, Public Accountant — Profit and Cash Flow Budgets

---

---

Mr. E. Hewitt, Australian Institute of Credit Management — Credit Control

Mr. J. R. Mitchell, Asst. Manager, Commonwealth Trading Bank of Australia — Trading Banks — What makes them lend?

Mr. A. Stirling, Executive Director, Small Business Development Corporation — Government Agencies, as a source of funds.

The information imparted by the discussion leaders was in every case most valuable. However, suggestions have been received that the time slot for these meetings could be changed to enable more participation by potentially interested Co-operative financial administrators. At the close of the year a satisfactory arrangement had not been concluded.

## **9. CO-OPERATIVES IN SCHOOLS**

During the year your Federation's Executive Officer was nominated by the Co-operative Federation of Australia to attend an international symposium at UNESCO Headquarters in Paris, France concerned with Co-operatives in Schools. 85 participants from 22 countries and representatives from U.N.E.S.C.O., I.L.O. and UNICEF attended.

Subsequently discussions between the Federation and the Victorian Department of Education were commenced with a view to assisting the Government's transition from school to work programme, as well as enabling youth to have a better understanding of the true meaning of Co-operatives as self-help projects demanding acceptance of responsibility to achieve benefits. Such student groups could undertake school or community projects as practical exercises in business operation run in conjunction with related commercial economic and social studies in the normal school curriculum.

At the close of the financial year one school had commenced a student co-operative scheme and two of the five area committees of the State Country Education Project Planning Committee have expressed interest in forming Co-operatives in Schools.

## **10. VICTORIAN EMPLOYMENT COMMITTEE**

During the year the Federation's Executive Officer, Mr. Rawlinson, served as a member of the Small Businesses and Co-operatives sub-committee of the Victorian Employment Committee. This Committee was established by the Victorian Government to examine proposals and submissions for the establishment, with Government assistance, of community co-operatives and small businesses as part of its programme of self-help projects in job creating operations.

During the latter part of the financial year the Chairmanship of the Victorian Employment Committee was transferred to the Hon. J. H. Ramsay Minister of Labour and Industry and its operations, together with those of its sub-committees, was under review. A deputation from the Federation was received by the Minister when a valuable discussion on the role and function of Co-operatives in the community took place.

Mr. Rawlinson delivered a paper at a workshop organised by the Prahran College of Advanced Education concerned with "Business Enterprises for Unemployed Youth".

## **11. THE CO-OPERATIVE FEDERATION OF AUSTRALIA**

The agreement between the Co-operative Federation of Australia and our State Federation for the joint operation of the two secretariats has worked satisfactorily throughout the year.

Victoria has continued to be represented by Messrs. Long and Macintosh on the Federal Council which has met in Queensland, New South Wales and Western Australia during the year.

In the year just completed the Co-operative Federation of Australia, in conjunction with the International Co-operative Alliance, contributed to the development of Co-operatives in the South Pacific by the organisation of a tour of the region and providing specialist advice in a number of countries.

## **12. CONCLUSION**

This report indicates the significant proportion of time allowed to protection of the Co-operative structure in State legislative matters. At the federal level, the Co-operative Federation of Australia watches over our interests in such areas as Co-operative Taxation and Trade Practices.

Your Federation is the specialist body equipped to maintain this protective service in addition to providing advisory services to existing and potential Co-operatives. It is funded by voluntary subscription and currently expenses are being shared by the national body as an incentive to its development in the best interests of Victorian Co-operatives. This arrangement is short-term only. The continued effective development of the Co-operative Federation of Victoria will rely on increased financial support from and involvement by more Victorian Co-operatives.

---

**THE CO-OPERATIVE FEDERATION OF VICTORIA  
ANNUAL REPORT JUNE, 1980**

**LIST OF MEMBERS**

Australian Footwear Retailers Co-operative Ltd.  
Bendigo Trading Co-operative Ltd.  
Broadford Co-operative Hotel Ltd.  
Cann River Transport Operators Co-operative Ltd.  
Co-operative Insurance Company of Australia (Victoria) Ltd.  
Edenhope Co-operative Society Ltd.  
Federation of Co-operative Housing Societies  
Herd Improvement Organisation of Victoria  
Ibis Milk Products Ltd.  
Jojoba Co-operative Society Ltd.  
Lakes Entrance Fishermen's Co-operative Society Ltd.  
Maryborough Energy Research Foundation Co-operative Ltd.  
Morwell Co-operative Ltd.  
Murrabit Advancement Co-operative Ltd.  
Murray Goulburn Co-operative Company Ltd.  
Numurkah East Goulburn H. I. Co-operative Ltd.  
Phosphate Co-operative Company of Australia  
Robinvale Producers Co-operative Company Ltd.  
Security Land Co-operative  
Security Management Services  
Thorpdale Co-operative Ltd.  
Trans National Hauliers Co-operative Ltd.  
Victorian Artificial Breeders Co-operative Society Ltd.  
Victorian Co-operative Credit Association Ltd.  
Victorian Producers Co-operative Company Ltd.  
Waverley and District Co-operative Ltd.  
Y.C.W. Co-operative Society Ltd.  
Yinnar Community Hotel Co-operative Ltd.